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F A C S I M I L E

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REED STENHOUSE LIMITED
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Vancouver, Canada V6B 3X8
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DOGM RECEIVED THIS
FAX 8/23/95

M/OZ#1006

Date: August 23, 1995

Department Code: 08
Originator: Shelley Cerna

NAME: Leanne or Pam
COMPANY: DEPARTMENT OF NATURAL RESOURCES
ADDRESS: Salt Lake City, UTAH
FAX NO.: (801) 359-3940

Re: CONTINENTAL LIME INC., BOND
REPLACED WITH BOND #

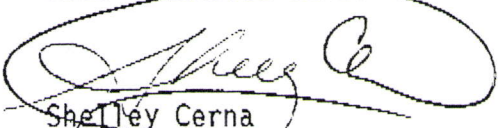
Further to my conversation with Leanne today, this is to confirm that a Cancellation Notice was issued recently (copy attached) cancelling the captioned bond, but that a replacement bond HAS been issued and I attach a copy of it here for your reference. The original will be filed with you once it has been signed by Continental Lime Inc.

Again, this cancellation was only done to accomodate our remarketing of the bond with another surety company and has absolutely nothing to do with Continental Lime Inc., who is considered a valued client of this office.

I trust the attached will be sufficient to dispel any concerns you may have about the cancellation of the existing bond. However, if you require any further information, please do not hesitate to contact me.

Yours very truly,

ALEXANDER & ALEXANDER/
REED STENHOUSE LIMITED


Shelley Cerna
Construction Services Division

sdc/3842i



REGISTERED LETTER

August 11, 1995

CANCELLATION NOTICE

STATE OF UTAH
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

DEAR SIR/MADAM:

SUBJECT: CONTINENTAL LIME INC. BOND NO. C _____

YOU ARE HEREBY NOTIFIED THAT THE AETNA CASUALTY AND SURETY COMPANY ELECTS TO CANCEL THE ABOVE CAPTIONED BOND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF SAID BOND. THIS CANCELLATION IS TO BE EFFECTIVE IN/ON NOVEMBER 18, 1995.

WE WOULD APPRECIATE YOUR ACKNOWLEDGEMENT OF THE ABOVE CANCELLATION BY RETURN MAIL.

SINCERELY YOURS,

Susan Purchase
Attorney-in-fact

c.c. CONTINENTAL LIME
670 East 3900 South
Suite #200
Salt Lake City, UT 84107

c.c. Reed Stenhouse Ltd.
Vancouver, B.C.

**THE AETNA CASUALTY AND SURETY COMPANY
C/O BOREAL PROPERTY & CASUALTY INSURANCE COMPANY
2ND FLOOR, 999 WEST HASTINGS STREET
P.O. BOX 22
VANCOUVER, B.C. CANADA
V6C 2W2**

ATTACHMENT B

MR FORM 6
Joint Agency Bonding Form

(April 8, 1993)

Bond Number _____
Permit Number _____
Mine Name _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned CONTINENTAL LIME INC. as Principal,
and AMERICAN AUTOMOBILE INSURANCE COMPANY
a subsidiary of Fireman's Fund Insurance Company as Surety, hereby jointly and severally
bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of
Utah, Division of Oil, Gas and Mining, and U.S. Dept. of Interior, Bureau of Land Management
in the penal sum of Two hundred ninety three thousand one hundred dollars (\$ 293,100.00).

Principal has estimated in the Mining and Reclamation Plan approved by the
Division of Oil, Gas and Mining on the 29TH day of NOVEMBER, 19 79, that 142.9
acres of land will be disturbed by this mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the
Reclamation Contract of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and
Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation
Act, and complied with the Rules and Regulations adopted in accordance therewith, then this
obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the
disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and
regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by the Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Date: _____

CONTINENTAL LIME INC

Principal (Permittee)

By (Name typed): William E. Dodge

Title: Executive V.P. & COO

Signature: _____

Date: August 31, 1995

AMERICAN AUTOMOBILE INSURANCE COMPANY
a subsidiary of Fireman's Fund Insurance Company
Surety

By: (Name Typed) Rebecca K. Henderson

Title: ATTORNEY-IN-FACT

Signature: Rebecca K. Henderson



Page 3
MR-6
Joint Access Safety Bond
Attachment B

Bond Number _____
Permit Number _____
Mine Name _____

SO AGREED this _____ day of _____, 19____

Dave D. Lauriski, Chairman
Board of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety Company, such Power of Attorney must be filed with this bond. If the Principal is a corporation, the bond shall be executed by its duly authorized officer.

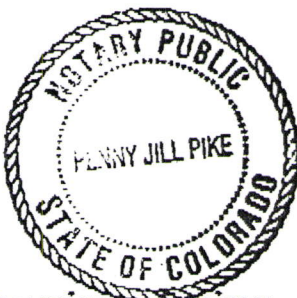
AFFIDAVIT OF QUALIFICATION

STEVEN H. GILBERT, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) OFFICER of said Surety, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

Signed: Steven H. Gilbert
Surety Officer

Title: Asst. Vice-President

Subscribed and sworn to before me this 31 day of July, 19 95.



Penny Jill Pike
Notary Public
Residing at: 7535 E. Hampden Ave.
Denver, CO 80231

My Commission Expires:

8-8, 19 95

GENERAL
POWER OF
ATTORNEY

AMERICAN AUTOMOBILE INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That AMERICAN AUTOMOBILE INSURANCE COMPANY, a Corporation duly organized and existing under the laws of the State of Missouri, and having its principal office in the County of St. Louis, State of Missouri, has made, constituted and appointed, and does by these presents make, constitute and appoint

REBECCA K. HENDERSON

DENVER, CO
its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver any and all bonds, undertakings, recognizances or other written obligations in the nature thereof

and to bind the Corporation thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Corporation and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises.

This power of attorney is granted pursuant to Article VII, Sections 45 and 46 of By-laws of AMERICAN AUTOMOBILE INSURANCE COMPANY now in full force and effect.

"Article VII. Appointment and Authority of Resident Secretaries, Attorney-in-Fact and Agents to accept Legal Process and Make Appearances.

Section 45. Appointment. The Chairman of the Board of Directors, the President, any Vice-President or any other person authorized by the Board of Directors, the Chairman of the Board of Directors, the President or any Vice-President may, from time to time, appoint Resident Assistant Secretaries and Attorneys-in-Fact to represent and act for and on behalf of the Corporation and Agents to accept legal process and make appearances for and on behalf of the Corporation.

Section 46. Authority. The authority of such Resident Assistant Secretaries, Attorneys-in-Fact and Agents shall be as prescribed in the instrument evidencing their appointment. Any such appointment and all authority granted thereby may be revoked at any time by the Board of Directors or by any person empowered to make such appointment."

This power of attorney is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of AMERICAN AUTOMOBILE INSURANCE COMPANY at a meeting duly called and held on the 31st day of July, 1984, and said Resolution has not been amended or repealed:

"RESOLVED, that the signature of any Vice-President, Assistant Secretary, and Resident Assistant Secretary of this Corporation, and the seal of this Corporation may be affixed or printed on any power of attorney, on any revocation of any power of attorney, or on any certificate relating thereto, by facsimile, and any power of attorney, any revocation of any power of attorney, or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation."

IN WITNESS WHEREOF, AMERICAN AUTOMOBILE INSURANCE COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to be hereunto affixed this 15th day of February, 1991



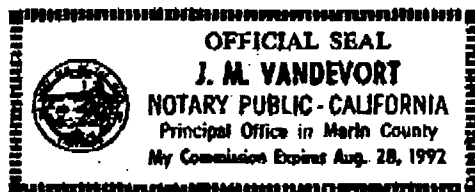
AMERICAN AUTOMOBILE INSURANCE COMPANY

By [Signature]
Vice-President

STATE OF CALIFORNIA
COUNTY OF MARIN

On this 15th day of February, 1991, before me personally came R. D. Farnsworth to me known, who, being by me duly sworn, did depose and say: that he is Vice-President of AMERICAN AUTOMOBILE INSURANCE COMPANY, the Corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation and that he signed his name thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year herein first above written.



[Signature]
Notary Public

CERTIFICATE

STATE OF CALIFORNIA
COUNTY OF MARIN

I, the undersigned, Resident Assistant Secretary of AMERICAN AUTOMOBILE INSURANCE COMPANY, a MISSOURI Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked; and furthermore that Article VII, Sections 45 and 46 of the By-laws of the Corporation, and the Resolution of the Board of Directors; set forth in the Power of Attorney, are now in force.

Signed and sealed at the County of Marin. Dated the 31st day of August, 1995



[Signature]
Resident Assistant Secretary